

# Real Estate Mutual Funds

Osher Lifelong Learning Institute

Investment Forum

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Six Actively-  
Managed  
Mutuals  
Selected  
and  
Reviewed

Sourced from Fidelity and Morningstar sites

Four have no front-end loads; two have loads but these are waived by Fidelity and likely other houses

Minimum initial deposit requirements do not exceed \$2500

Evaluated for risk as well as return

Best in non-taxable account, as don't have to be concerned about yearly capital gains

## Baron Real Estate Retail (BREFX)

- 5 M-Stars Silver
- Highest performer of group
- Not purely REIT – adds in casinos, gaming stocks
- Volatile, yearly swings
- Somewhat high expense (1.33%)
- 1-yr. return 99.47%/ 3-yr. 23.70%

## Baron Real Estate Income (BRIFX)

- 5 M-Stars Silver
- Relatively new but promising
- Assets well dispersed
- Volatile, yearly swings
- But risk considered “below avg.”
- Average fees (1.05%)
- 1-yr. return 55.88%; 3-yr. 19.17%

## TIAA-CREF Real Estate

### Securities Retail (TCREX)

- 5 M-Stars Gold
- Reviewed as “low risk, high return”
- Experienced Management
- Relatively consistent performer
- Low expenses (at 0.79%)
- 1-yr. return 35.57%/ 3-yr. 12.91%

## Cohen & Steers Realty Shares

### Class A (CSJAX)

- 4 M-Stars Neutral
- Risk below avg. Return above avg.
- Neutral rating due to new mgr.
- Balances growth & value
- Expenses relatively high (1.16%)
- Front-end load but waived at Fidelity (and others?)
- 1-yr. return 36.26%/ 3-yr. 12.59%

## DWS RREEF Real Estate Securities

### Class A (RRRAX)

- 4 M-Stars Bronze
- Below avg. risk, avg. return
- More concentrated holdings
- Strong trio of managers
- Avg. expenses (0.98%)
- Front-end load but waived at Fidelity (and others?)
- 1-yr. return 32.50%/ 3-yr. 10.62%

## Fidelity Real Estate Income

### (FRIFX)

- 3 M-Stars Bronze
- Income-oriented; distinctive from others discussed here
- Only 1/3 in REIT stocks; rest in real estate bonds, mortgage-backed, etc.
- Yield highest at 3.12%
- Lowest expenses at 0.73%
- Overall growth lags index, reflecting income orientation
- 1-yr. return 40.99%/ 3-yr. 8.24%

## Comparison of the Six Funds— Some Add'l Factors

	BREFX	BRIFX	TCREX	CSJAX	RRRAX	FRIFX
Expense Ratio	1.33	1.05	0.79	1.16	0.98	0.73
Performance YTD	11.02%	7.48%	7.77%	8.49%	7.76%	6.12%
10 yr Rtn on 10K	49,175	--	28,988	27,800	26,400	22,187
3 yr Sharpe Ratio	1.00	1.04	0.75	0.69	0.60	0.48
Std. Dev.	22.59	16.94	16.28	17.40	17.13	17.06
Capture Ratios	132/92	102/67	79/56	82/61	74/58	63/58
Management Yrs.	11.33	3.33	15.33	13.50	16.58	18.17
Yield	0.00%	0.76%	1.58%	1.46%	0.00%	3.12%